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ABSTRACT

A comparative case study examining selected aspects of internal college leadership during financially troubled times is discussed. Continuous negotiation between university presidents and faculty members is explained. Presentation of the budget to the college community is examined, noting how the president may use the event to define hard times for the faculty. Features of the president's budgetary communication that encourage or discourage the faculty to accept his or her definition are noted. Both colleges used in the study have similar forms of control, and their presidents have comparable experience. They communicate with their faculties about the budget in diverse ways with budgetary messages differing in substance and form. President A introduces a critical financial problem with a broad-ranging explanation of background, detailed description of actors, and open-ended but defined set of possible endings. President B gives the message by focusing on the situation as it exists in the present, describing the current context with detailed quantitative measures, depicting financial dynamics in inanimate terms, and ending with an open-ended question about the college's financial future. If the president does not give an interpretation of the frightening event, it will result in ambiguity, discomfort, and a faculty in search of efficacy. Several considerations for administrators include: when presenting the budget to the faculty, interpretation is needed; a clear, plain story is more effective than a polished business report; and the president is likely to be an important internal actor during times of resource stress. Contains 32 references. (SM)

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COLLEGES UNDER PRESSURE:

BUDGETING, PRESIDENTIAL COMPETENCE, AND FACULTY UNCERTAINTY

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Much of what we know about financial stress in higher education appears to flow from the assumption that when times are good, institutional conditions are also good and faculty are relatively satisfied. When times are bad, institutional conditions deteriorate and the faculty's morale also falters (see Clark and Lewis 1988). This line of thinking can lead college administrators to devote their energies to replacing lost resources or defending against financial loss in the hope that doing so will alleviate the faculty's demoralization and spark their commitment, energy, and optimism.

However, several recent studies suggest that the relationship between financial hardship and faculty morale is more complex. The faculty's professional energy and commitment may be affected less by money than by their perceptions that administrators are too busy balancing their institution's books or marketing new programs, to heed the faculty's call for internal college leadership (see Anderson 1985, Chaffee 1984, Chaffee and Tierney 1988). This study initiates a larger program of research that explores the nature of the administrative-faculty relationship during times of financial stress. This paper examines one facet of that relationship: how college presidents inform their faculties about real or impending resource stress, and how faculty respond to and interpret their president's message.

Prior Study of Leaders and Resource Stress and a Revised Perspective

This research differs from prior studies in its choice of a paradigm or perspective for examining the organizational effects of financial stress. The college organization may be viewed as an open system interacting with its larger socioeconomic environment (e.g., Kast and Rosenzweig, 1974; Katz and Kahn 1978, Pfeffer and Salancik 1978) and also as a culture or human collectivity bound by shared norms, traditions, values, and understandings (e.g., Dandridge, Mitroff, and Joyce 1980; Pettigrew 1979; Sarason 1984; Schein 1985; Tierney 1988). Each perspective pictures effective leaders differently. In the former, effective leaders control, coordinate, or acquire resources from the external environment.

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(structural/environmental perspective). In the latter, they create, maintain, and manage meaning and purpose from within (cultural perspective).

In thinking about the responsibilities of college leaders during periods of financial stress we have tended to rely on the former perspective and to neglect the latter. For example, the literature contains numerous descriptions of the new economic environment and the financial and management tools (e.g., cost-cutting measures, marketing techniques, etc.) that leaders can use to adjust higher education organizations to it (see Zammuto 1987). These writings reflect the structural/environmental perspective almost exclusively. Over the past fifteen years, only a few studies (e.g., Cameron, Whetten, Kim 1987; Rubin 1977) have addressed the difficult human and political changes that may occur within organizations under financial stress, and only one (Cameron, Kim, and Whetten, 1987) has probed the situational factors that may exacerbate these changes. With a few recent exceptions (Birnbaum 1988, Chaffee 1984, Tierney 1988), we have not considered how college leaders might deal with internal difficulties of this sort and how effective they are in doing so. Considerations of this type require a cultural perspective on leadership and organizations.

One of the strengths of the cultural perspective is its ability to consider organizational leadership in terms of its effects on followers1: From this perspective, leadership occurs when organizational members agree to give up, to a select core of leaders, their personal prerogative to define their organizational reality, and instead, to accept the definition espoused by a leader. Smircich and Morgan (1982) describe this phenomenon as involving:

> a complicity or process of negotiation through which certain individuals, implicitly or explicitly, surrender their power to define the

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1 The cultural lens can also be used to examine the reverse interaction (considering how followers influence leaders), an appropriate consideration from the perspective of transactional leadership theory (Hollander 1987). This kind of analysis, however, is beyond the scope of this study.

> nature of their experience to others. Indeed, leadership depends on the existence of individuals willing, as a result of inclination or pressure, to surrender, at least in part, the powers to shape and define their own reality. (p. 258)

This view suggests that something about the leader or the leader's definition of reality should appeal enough to followers to make them willing to adopt it. Or, in the words of literary critics, something about the tale or the teller of the tale should inspire "a willing suspension of disbelief" on the part of the listeners. This "willing suspension" of personal interpretive inclinations need not imply that the followers passively accept whatever the leader asserts, and this would be particularly important in academic organizations where the normative role of the faculty is to promote critical and independent thought.

The cultural paradigm contends that organizational members arrive at shared understandings of their reality through a process of continuous negotiation (Louis 1983); in this study I consider a selected aspect of that negotiation as it occurs between a president and a faculty. More specifically, I use Smircich and Morgan's notion of leadership as the ability of a leader to "sell" his or her point of view as the starting point of this study that examines how college presidents define an uncomfortable, and even painful, contemporary reality--the reality of "hard times"-- for their faculty. To do this, I examine a fairly common college event, the presentation of the budget to the campus community, and I consider how the president may use the event to define the reality of "hard times" for the faculty.2 What features of the president's budgetary communication encourage or discourage the faculty, as professionally active skeptics and critics, to accept their leader's definition?

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2 The nature of the president's budgetary presentation is just one of many factors that may influence the faculty's willingness to accept or decline their president's definition of "hard times." This paper considers only the budgetary presentation; other factors will be considered in later papers.

Design and Method

This study is a two-case comparative case study (Yin, 1984) that uses methods of qualitative analysis (Schatzman and Strauss, 1973) to examine selected aspects of internal college leadership during financially troubled times. Rather than studying a single case in great depth, I selected two cases to help me identify phenomena that I might otherwise overlook (because I would not know to look for them), but which would probably be more obvious when held against a contrasting image. This analytic design is aptly described by Boring (1954) as paraphrased in Weick (1983): "Every datum becomes meaningful only when there is a relatum" (p. 16). I selected the two cases for their structural and situational comparability and for the contrasting quality of the subject under study-- the president's approach to presenting financial information to the faculty. In this study, I begin to chart the conceptual contours of an unexplored terrain. I make no effort to generalize from the two cases, and the conclusions should be viewed as propositions and hypotheses subject to verification and reformulation.

This research is part of the Institutional Leadership Project (ILP), a five-year longitudinal study of the leadership dynamics of 32 American colleges and universities that are diverse in type, control, size, program emphasis, geographic location, and other key variables. The institutions were visited during 1986-7 and 1988-9 for the purpose of conducting intensive interviews with selected administrators, faculty, and trustees. For an overview of the ILP's purposes and research design, see Birnbaum, Bensimon, and Neumann (1989).

A Cultural Perspective on College Budgets and Budgetary Processes

In the following sections I introduce College A and College B, and I describe how their presidents present the reality of "hard times" to the faculty. Although the two colleges are comparable in many ways, their presidents' approaches to delivering "bad news" differ dramatically. I describe these differences and consider how they may affect the faculty.

The Actors and the Settings:
An Introduction[3]

From the standpoint of the Carnegie Classification of American institutions of higher education, Colleges A and B are of the same institutional type and they operate under the same form of control. They are both small in size. Their presidents have comparable experience in the presidential office and in other administrative positions.

Presidents A and B are both very concerned about their colleges' financial health, and they carefully monitor several imminent, external blocks to their resource flows. Both presidents cite dramatic (but different) statistics indicating their poor economic base in comparison to other institutions in their state or in the country. Although both are stressed financially[4] and although both anticipate worsening conditions, College A has suffered more real decline over a longer period of time than College B.

According to the interviews and documentary materials, the presidents have used similar strategies to stave off financial decline, for example, by intensifying efforts to raise funds, recruit students, and improve the institution's public profile; by applying for grants to diversify the college's program offerings; by converting permanent faculty positions into temporary slots in order

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3 To comply with pledges of confidentiality, I characterize these institutions only in the most general terms and for the purpose of indicating their comparability. In addition, I have imposed a number of disguises on institutional data. For example, the gender of any person referred to in this report does not necessarily reflect true gender. Leadership titles have been revised to reflect only the generic role (e.g., a Vice President for Academic Affairs would be called the chief academic officer). I made other similar changes where they did not conflict with the subject matter.

4 I define "organizational stress" as an extended period of organizational disequilibrium, or as a prolonged disturbance to or deviation from a more desirable organizational "steady state" (Katz and Kahn 1978). The concept of "resource stress" suggests that the nature of the disequilibrium is resource-based.

to add flexibility to the college's personnel system; and by instituting a number of internal, belt-tightening, efficiency geared measures. In summary, both have tried to raise new money and to cut unnecessary expenditures.

A traditional case analysis, conducted from a structural/environmental perspective, would examine these presidents' responses to financial stress in light of their intended instrumental effects, that is, whether these strategies do, in fact, help the college recover from the stress. An analysis conducted from the alternative, cultural perspective would examine the faculty's experience of resource stress; it would also consider how they perceive and experience their institution's leadership during such times. This study emphasizes the cultural consequences of resource stress.

The Dissemination of Budgetary Information

The presidents of Colleges A and B communicate with their faculties about the budget in diverse ways. For example, both presidents send information through the traditional hierarchy-- through the academic vice president and the department chairs. They regularly convene meetings of the faculty to discuss the state of college finances. They discuss the college's financial status at special meetings of the faculty senate, during formally scheduled one-to-one appointments, or over lunch. They send out memos to the college at large. And they funnel information through faculty leaders with whom they meet regularly and who, in turn, provide the president with insights into faculty opinions and sentiments.

In both of these institutions the budget is no secret. Financial information is readily available, and the two faculties[5] describe their presidents as open and responsive to questions about the budget. For example, at College A, the faculty typically describe their president as "very communicative about budgets" and as "open and above board" in financial presentations. At College B, the faculty also believe that, "there is no lack of information" and that "information has [never] been

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5 Throughout this paper, the faculty voice is inferred from the voices of multiple faculty and administrative interviewees.

withheld."

The Nature of the President's Budgetary Message

Although these two presidents resemble each other in the quantity of financial information that they make available to the faculty, their budgetary messages differ in both substance and form. The president of College A describes her approach to communicating the financial status to the faculty as follows:

> Every [date] I have to do a budget request for next year. I hold a series of budget presentations,... I go to the campus with the budget. I go through the whole budget picture with the faculty.... It's a meeting for all... And then I go to the faculty senate and bore them with it again. I spend a lot of time preparing for the presentations. I put them together myself. I develop a picture of the institution's finances-- where the revenues are coming from, and where the expenses are going, and I show that over [number of years].... [spoke about presenting the data visually]. I answer their questions....we all need to understand where we are. I always go there [to the faculty and community] first. Because if they don't understand what I am saying, I will be sandbagged down the road. I need the support of the key campus people.

The heart of this president's financial presentation is a narrative description and explanation of the financial and enrollment health of the college-- past patterns, current status, predictions for the future. She uses dollar figures, FTE statistics, and other quantitative data only to support and illustrate the larger picture that she draws. The faculty acknowledge and appreciate this president's efforts to make the college's budgetary picture meaningful:

> [At the budget meeting] we might get more of an explanation than the numbers themselves. She will give us the problem as it is defined in her mind and ask for numbers from [the chief business officer]. We never get a bunch of numbers that mean nothing....she does not leave

people feeling bewildered. She presents clearly.

Rather than transmitting pure data as mixed pieces of a financial jigsaw picture puzzle and expecting the faculty to put it together themselves, this president transmits the budgetary picture as a sensible, completed whole that she has put together herself. Furthermore, she appears to be just as concerned with moderating ambiguity as with assuring the accuracy and completeness of her data. She seems especially sensitive to the ambiguities that she herself might introduce as she explains a topic that is, in itself, wrought with ambiguity.

How satisfied are the faculty of College A with what they know about their college's financial condition? The faculty at this college believe that they are "informed" and "knowledgeable" and that they "do have a sense for what is going on." There appear to be very few faculty members who believe that they do not have the information or the understanding that they would like to have.

In sum, the president of College A is likely to introduce a critical financial problem with a broad-ranging explanation of its background, a detailed description of actors and action in the present, and an open-ended but defined set of possible endings. In presenting the problem, this president is likely to avoid financial jargon, to use statistics only in a supportive and illustrative manner, and to present uncomplicated graphs and charts designed to make no more than one or two points at a time. This president turns the budget presentation into a story, gives it life by focusing on people and action, highlights her own responses and their effects, and clarifies the likely conclusions of the specific difficulty that the college is facing, whether positive or negative.

President B is likely to deliver his message in a strikingly different manner. He is more likely to focus on the situation as it exists in the present, to describe the current context with elaborate and detailed quantitative measures, and to depict financial dynamics in inanimate rather than animate terms so that the human actors (including the president) and human interaction become barely visible. Instead of specifying the possible endings to his "story," President B is more likely to conclude his presentation with only an open-ended

question about the college's financial future.

During President B's meetings with his faculty, they see him handing out detailed enrollment and financial documents. They believe that information is plentiful, that there is "no holding back of...detailed information--that they get as much as the president has." In describing their college's condition, they frequently refer to one or two dramatic statistics as indicators of how hard the times are.

While President B is open, detailed, and comprehensive in his report on the college's financial condition, the faculty are not satisfied with what they know about it. Although the faculty acknowledge the president's consistent openness with information, several worry that they "can not see the big picture," that information is "very complex and hard to understand," and that what they need is a budget that the "lay person can understand." At College B, the president uses the budget meeting to present a series of financial health indicators, but the faculty are not clear about what they mean or how they should (or should not) be used, and feelings of discomfort ring through their words.

At College A, the president uses a similar meeting to interpret the meaning that she has derived from her study of the college's financial status and to discuss the implications for the work life of the academic community. The faculty of College A are just as concerned about their financial condition as the faculty of College B are about theirs, but they reflect more sureness in their own personal abilities to know and understand that condition.

The Ramifications of the Two Approaches

Effects: the faculty's confidence in their own understanding. These institutional profiles suggest that the faculty at College A believe that they can know and understand as much about their college's financial condition as they might want, whereas the faculty at College B believe that they do not have "the big picture" even though they may have an abundance of financial data at their disposal. At College A the president serves as an information processor and interpreter. In transmitting her view of the budgetary situation, she acts almost like a teacher who is more concerned about her students'

abilities to understand the material she is presenting, and about the confidence they have in their own understanding, than about the thoroughness of her presentation. At College B, the president assumes the role of information disseminator. He is concerned about sharing the fullness of the data within his reach and leaves the tasks of processing and interpretation to his audience.

Effects: the faculty in search of interpretation and understanding. What happens to college faculty when administrators are completely open in disseminating budgetary information but when they decline to process, interpret, and otherwise make sense of it? A close look at the faculty of College B, in contrast to the faculty of College A, suggests that when the president does not provide this kind of interpretation, the faculty will look to other sources for it: The need for interpretation does not simply go away.

First, the faculty may look to others (e.g., faculty colleagues who are especially verbal or knowledgeable) to sort and explain what they hear directly from the president, or more circuitously, what they learn from reading presidential memos and the local newspapers or from watching television:

> I know people [other faculty] who look at the actual dollar amounts-- and [I listen to] what they say about them. [And I come to understand the financial condition by] ... what I read in the newspaper and what I hear people say about that.

Thus in the absence of an interpretive presidential voice, a faculty colleague or another organizational member may assume the role of information processor and interpreter of the data provided by the president. A person in this role may also infuse new data, for example, through a gossip "grapevine." From the perspective of Smircich and Morgan's definition of leadership, these "alternative interpreters," by default, displace their formal leaders. In addition to looking to "colleagues," faculty may simply lean harder on the formal organizational hierarchy and depend, to a greater extent, on the interpretations that their department chairs give them:

> Most of them [faculty] know it [the financial

> condition of the college] third and fourth hand. Their most constructive source is their chairs in [departmental] meetings.

Given that the cognitive focus of department chairs is likely to be the academic unit rather than the larger institution, it is plausible that their interpretive efforts will detract from the faculty's identification with the whole institution, promoting, instead, a more organizationally parochial affiliation..

Second, when the president provides little or no interpretation, the faculty may also come to rely more on their own personal perceptions and experiences of organizational events to assess the state of the institution's financial health. For example, when faculty members at College B notice that instructional support services are diminishing, when they hear that they cannot fill positions that their faculty colleagues have vacated, when they learn that routine maintenance cannot be performed, and when they realize that they have to do more work on a shrinking or static budget, they are likely to conclude that their college is facing financial hard times. The question that rears itself in many faculty minds as they come to this conclusion is: So where are our resources going? At College B the faculty start questioning the president's financial priorities: Is his "heart in the right place"? Who are those "unknown quantities" in administration, what are they doing with their time, and what do they contribute to the central task of this college? Why did the president add that new grant program when we still have so much of everything else to do? Few of these questions are asked at College A. It is likely that the president discussed them before they could be asked.

Effects and complications: ambiguity, discomfort, and the faculty in search of efficacy. In sum, if a president does not provide an interpretation of a frightening and ambiguous event, it is likely that someone else will do it for the president. This approach runs several risks. First, it may yield inaccurate or undesirable interpretations of the college's financial health, or it might spawn multiple, competing interpretations which would further intensify the sense of ambiguity that an interpretation would seek to alleviate in the first place.

In this study, as the faculty's feelings of uncertainty intensified, their feelings of being able to control and direct their professional realities came into question. For example, at College B the faculty feel a "deterioration in the level of optimism and buoyancy about our ability to control and affect the directions we're going in." A number of faculty feel that the financial situation is "anxiety producing" but that they "can't change things." Some campus constituents feel that there may be a predetermined plan put away in some filing cabinet in the college, and that the faculty will have no say about its use.

The absence of a consistent and believable interpretive perspective suggests that no one has helped the faculty understand the frequently uncontrollable dimensions of financial stress and that at times there is little that presidents or other college constituents can do to alleviate threat and discomfort. When faculty and other campus constituents fail to understand the human limitations of their leaders and of themselves, especially in the face of uncontrollable events, they may begin to raise questions about the president's effectiveness on the job, and about their own effectiveness as thinking professionals and human beings.

At College B, for example, the faculty raise questions about their personal abilities to analyze and interpret their organizational world, and about the president's ability to decipher financial data and to act effectively on financial matters. Their self-criticism shows in their portrayal of budgets as "very complex and hard to understand" and they attribute their feelings of directionless to "not understanding budgeting... not having the skill...." and to the experience of getting "burned out":

> It's an older faculty and it's hard not to get burned out.... maybe the age and station of the faculty are at issue. They are older, not younger.

This faculty also express concern that the college's financial condition may be as "confusing" to the president as it is to many of the faculty because "his background is not in budgeting."

The faculty of College A feel an equal loss of

control, but they seem determined to continue and progress, or at least, not to give up, despite the financial roadblocks:

> We feel beleaguered but courageous... a fatalism blended with lifted spirits.... We feel like embattled troops, but we are holding.

Like the faculty of College B, the faculty of College A believe that they have little control in a turbulent world, but, unlike the faculty at B, they continue to hold fast to their sense of their own competence. They hold equally fast to their sense of their president's competence, describing her as an "alert, intelligent [leader who] has done her homework," as "knowing where every penny goes," as "able to hold a wealth of information...and having it together," and as a leader who "has her ammunition... [and] can document everything." This president impresses her faculty as knowing what she is doing and as doing it well, and through her enacted competence, she instills trust in her leadership. The faculty, for example, do not feel a need to follow her every move:

> They [faculty] know very little about that [how resource decisions are made here]. But that is okay because the faculty here have a basic trust in the people who [make such decisions].

At College B, the faculty are more likely to ask whether the continuation of their financial discomfort might be related to their president's competence and to their own efficacy. This does not happen at College A. What is the difference? At College A the faculty have heard and absorbed a reasoned, sensible explanation of the college's financial condition and the president's responses to it. In presenting a sensible financial picture, this president demonstrates her own intellectual competence. Furthermore, in communicating that picture clearly and with care so that the faculty understand what she is talking about, she creates a situation in which the faculty can demonstrate, to themselves, their own abilities to understand. In this situation there is no need for the faculty to project any form of blame either on themselves or on the president as they come to realize that ambiguity is inherent in the situation with which they are faced. The most appropriate response may be simply to laugh and go on:

> The faculty are concerned because money is a problem, but we are to the point that ... we almost laugh at it [financial condition].... You have to laugh at things that you have no control over.

Because President B has not demonstrated his abilities in this way, the faculty are more likely to question his competence as a leader. And similarly, because the faculty have not demonstrated their own competence to themselves (because they have not had the opportunity to do so), they are just as likely to call their own competence into question.

Conclusion

The preceding comparison and discussion suggest several straightforward considerations for administrators concerned about providing effective faculty leadership during financially stressed times:

-- When presenting the budget to the faculty, data and facts are not enough. Interpretation and meaning matter, and this may be especially true during times of financial stress when the faculty may believe that their way of life is threatened.

-- A clear and well-structured, plainly told story that makes sense is more effective than a polished, technical, business report. A simple, comprehensible picture is better than a cluttered or elaborate one.

-- The president is likely to be an important internal actor during times of resource stress, whether or not he or she realizes it. The president's ability to deliver the financial message effectively may affect the faculty's faith in their administrative leadership. It may also affect the faculty's faith in themselves and, consequently, their viability as professionals and organizational actors. In this case, an "effective delivery" is one that permits the president to demonstrate his or her own facility in financial matters and in other aspects of organizational leadership while simultaneously giving the faculty an opportunity to demonstrate to

themselves their own ability to comprehend their leader's message.

These practical tenets may be considered in light of their symbolic weight-- a central consideration of the cultural paradigm (Daft 1983; Louis 1983; Morgan, Frost, and Pondy 1983). The objects that comprise organizational life may be viewed on two levels: At the instrumental level, they are substantively and objectively whatever they are defined to be. Thus, from an instrumental perspective, the college budget is a plan for receiving and expending institutional revenues. At the symbolic level, the objects of organizational life may assume meanings that are larger than the objects themselves. They are, in effect, "associations" to organizational members' values, aspirations, and fears (Morgan, Frost, and Pondy, 1983). Thus, from a symbolic perspective, the condition of the budget may signify, to the faculty, the future risks to their established way of life. These two levels of definition have been further described as reflecting the "surface structure" and "deep structure" of organizations (Dandridge, Mitroff, and Joyce 1980)

Several important corollaries follow from this dichotomous perspective on organizational life. First, virtually any organizational object may be defined simultaneously in instrumental and symbolic terms. Second, the symbolic meaning of an instrumental item or action may be created purposefully or accidentally. And third, organizational objects may differ in their symbolic meaning from person to person, from place to place, and possibly, from time to time (see Daft 1983; Dandridge, Mitroff, and Joyce 1980; Morgan, Frost, and Pondy 1983; Pfeffer 1981; Tierney 1989 for a full discussion). For leadership a central question is whether the leader is aware of the multiple definitions that may be imposed on anything that he or she might do or say, depending on who is watching or listening, and under what circumstances. Does the leader know what kinds of things others look for and "read into" his or her words and actions? Does the leader know the potential effects of this "reading into" phenomenon?

During financially stressed times, when the faculty's way of life and deepest aspirations become subject to question, both leadership and the budget assume special symbolic significance for them. The President of College A seems to understand this, and she tries to address the

deep concerns of the faculty. She does this by giving as much form, meaning,' and predictability as possible to the apparent ambiguity of her college's financial condition. Thus she is less concerned with the "surface" meaning of the budget in that she does not flood the faculty with all the data at her disposal (unless someone asks for it). She is more concerned with the budget's "deep meaning" to the faculty-- that is, making the college's changed and uncertain reality understandable to those who care about it, and who must live both in it and with it. President B is attuned to a different view of what the budget means to the faculty. He says that he has to "balance the desire to share information against the kind of upset that fiscal talk engenders" among the faculty. This president believes that at a deep level, the faculty want objective financial facts, and he misses the significance of the "upset" around him.

From the other side, it is unclear whether the faculty consciously know that what they may want from the president is not facts so much as an assurance that their livelihood is in competent hands. But the words of faculty at <u>both</u> Colleges A and B assert these "deep structure" needs:

> We need reassurance that the president will do everything that she can to solve our immediate problem which is a money problem....It is important for us to feel that our interests are considered and cared for. (from College A)

> We need leadership that makes the college feel that things are running well in all of its offices...knowledge that there is follow-through on things...that people...are doing their jobs well.... (from College B)

To the faculty, the president's budgetary presentation becomes, in part, a test of the president as they reflect on whether their leader sounds like he knows what he or she is doing. Their expectation is that leaders will act in a "leaderlike way" (Birnbaum 1988), namely that they will demonstrate a reasoned effort to address the problem at hand (Feldman and March 1981).

As noted, the leader's competence is not the only issue at stake. It is plausible that faculty who hear a message that they do not understand will associate their

confusion either with the source of the message (the president) or with its receivers (themselves). A person who sees him or herself as unable to understand, to know, or to learn may lose the sense of personal efficacy that drives creative effort. A person who sees him or herself as capable of knowing and learning as much as he or she might want to know or learn is likely to command a greater sense of personal efficacy. The latter view has been associated with "empowerment" (Freire 1970, Gamson 1984); the former, with personal decline. In an era of declining faculty morale (Bowen and Schuster 1986) and financial difficulty that diverts the attention of leaders from internal college concerns to external resource matters, the internal, symbolic aspects of presidential leadership, including the symbolic aspects of financial leadership, may take on special import.

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